

Senate File 2046 - Introduced

SENATE FILE 2046

BY HOGG

A BILL FOR

1 An Act establishing a property tax exemption for property
2 meeting specified energy efficiency and environmental
3 quality standards and including applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 427.1, Code Supplement 2011, is amended
2 by adding the following new subsection:

3 NEW SUBSECTION. 38. *Energy-efficient, sustainable*
4 *development, water saving, and environmental quality property.*

5 a. For assessment years beginning on or after January 1,
6 2013, the exemption provided under this subsection for each
7 eligible property is limited to one of the following:

8 (1) Two percent of the amount of actual value of the
9 permanent improvements to the property if the property was
10 certified by the United States green building council during
11 the previous five years as meeting or exceeding the LEED silver
12 rating.

13 (2) Five percent of the amount of actual value of the
14 permanent improvements to the property if the property was
15 certified by the United States green building council during
16 the previous five years as meeting or exceeding the LEED gold
17 rating.

18 (3) Ten percent of the amount of actual value of the
19 permanent improvements to the property if the property was
20 certified by the United States green building council during
21 the previous five years as meeting or exceeding the LEED
22 platinum rating.

23 b. For the purposes of this subsection:

24 (1) "*LEED silver rating*" means the United States green
25 building council leadership in energy and environmental design
26 green building rating system, version 3.0, referred to as the
27 silver standard.

28 (2) "*LEED gold rating*" means the United States green
29 building council leadership in energy and environmental design
30 green building rating system, version 3.0, referred to as the
31 gold standard.

32 (3) "*LEED platinum rating*" means the United States green
33 building council leadership in energy and environmental design
34 green building rating system, version 3.0, referred to as the
35 platinum standard.

1 *c.* Each taxpayer claiming an exemption under this subsection
2 shall file with the assessor not later than February 1 of the
3 assessment year for which the exemption is first requested,
4 a statement upon forms to be prescribed by the director of
5 revenue specifying the applicable LEED rating that has been
6 certified for the property during the previous five years
7 by the United States green building council. The statement
8 shall be accompanied by other supporting documentation of the
9 certification as required by the department of revenue.

10 *d.* Once the exemption is granted, the exemption shall be
11 allowed for five assessment years without further filing so
12 long as the permanent improvements to the property continue to
13 meet the applicable LEED rating required for the exemption.
14 The taxpayer shall notify the assessing authority if during the
15 five-year exemption period, the property ceases to meet the
16 applicable LEED rating required for the exemption.

17 *e.* Following the expiration of the exemption under paragraph
18 "*d*", the property shall not be eligible for an exemption under
19 this subsection in any future assessment year.

20 Sec. 2. IMPLEMENTATION. Section 25B.7 shall not apply to
21 this Act.

22 Sec. 3. APPLICABILITY. This Act applies to assessment years
23 beginning on or after January 1, 2013.

24 EXPLANATION

25 This bill establishes a property tax exemption for property
26 meeting specified energy efficiency and environmental quality
27 standards. For assessment years beginning on or after January
28 1, 2013, the exemption provided in the bill for each eligible
29 property is limited to one of the following: (1) 2 percent
30 of the amount of actual value of the permanent improvements
31 to the property if the property was certified by the United
32 States green building council during the previous five years
33 as meeting or exceeding the LEED silver rating, as defined
34 in the bill; (2) 5 percent of the amount of actual value of
35 the permanent improvements to the property if the property

1 was certified by the United States green building council
2 during the previous five years as meeting or exceeding the
3 LEED gold rating, as defined in the bill; and (3) 10 percent
4 of the amount of actual value of the permanent improvements
5 to the property if the property was certified by the United
6 States green building council during the previous five years
7 as meeting or exceeding the LEED platinum rating, as defined
8 in the bill.

9 The bill requires each taxpayer claiming an exemption
10 to file with the assessor not later than February 1 of the
11 assessment year for which the exemption is first requested,
12 a statement upon forms to be prescribed by the director of
13 revenue specifying the applicable LEED rating that has been
14 certified by the United States green building council during
15 the previous five years for the property. This statement must
16 also be accompanied by other supporting documentation of the
17 certification as required by the department of revenue.

18 If granted, the exemption continues for five assessment
19 years without further filing as long as the permanent
20 improvements to the property continue to meet the applicable
21 LEED rating required for the exemption. The taxpayer is
22 required to notify the assessing authority if during the
23 five-year exemption period, the property ceases to meet the
24 applicable LEED rating required for the exemption.

25 The bill provides that following expiration of the
26 exemption, the property is not eligible for the exemption under
27 the bill in any future assessment year.

28 The bill provides that the provisions in Code section 25B.7,
29 relating to the obligation of the state to reimburse local
30 jurisdictions for property tax credits and exemptions, do not
31 apply to the exemption in the bill.

32 The bill applies to assessment years beginning on or after
33 January 1, 2013.